

Date Mailed May 26, 1999
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BEFORE THE  
PUBLIC SERVICE COMMISSION OF WISCONSIN

Administration of the Mechanisms of Price Regulation Pertaining to  
GTE North Incorporated on the Fourth Anniversary Date

2180-TI-131

**NOTICE OF PROCEEDING AND  
INVESTIGATION AND ASSESSMENT OF COSTS**

**THIS IS A PROCEEDING TO** determine the amount that GTE North Incorporated (GTE) may increase, or must decrease, its price regulated rates. Services currently subject to price regulation are basic local exchange service, and standard business access lines and usage by small business with no more than three access lines. This proceeding may also set new company-specific benchmarks for service quality, infrastructure investment, and make any other determinations, as necessary, to administer the mechanisms of price regulation pertaining to GTE's fifth anniversary date. The mechanisms include the annual percentage change in the Gross Domestic Product Price Index (GDPPI), a productivity offset to the change in the GDPPI, an increase in the productivity offset for inadequate service or insufficient investment, and a decrease in the productivity offset to encourage infrastructure investment.

In docket 05-TI-157, the Commission established industry-wide standards for service quality to be used in calculating the increase to the productivity offset, pursuant to Wis. Stat. § 196.196(1)(c), for 1999 price regulation filings for each price regulated telecommunications utility.

Pursuant to Wis. Adm. Code § PSC 163.04(1), on April 30, 1999, GTE filed certain information with the Commission for it to determine the amount the utility may increase or shall decrease its rates. Pursuant to Wis. Adm. Code § PSC 163.04(8)(a), the Commission shall issue an order no later than 30 days after the utility's anniversary date authorizing the amount the utility may increase its rates or mandating the amount it shall reduce them.

GTE and Commission staff have agreed, pursuant to Wis. Adm. Code §163.04(1), to change the anniversary date to June 1. Therefore, the deadline for order issuance will be July 1, 1999.

**NOTICE IS GIVEN** that the Commission considers it necessary, in order to carry out its duties, to investigate all books, accounts, practices, and activities of GTE. The expenses incurred or to be incurred by the Commission which are reasonably attributable to such an investigation will be assessed against and collected from GTE in accordance with the provisions of Wis. Stat. § 196.85 and Wis. Admin. Code ch. PSC 5.

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The Commission does not discriminate on the basis of disability in the provision of programs, services, or employment. Any person with a disability who needs accommodations to participate in this proceeding or who needs to get this document in a different format should contact the case coordinator listed below.

Questions regarding this matter may be directed to case coordinator Christopher Larson at (608) 267-9508.

Dated at Madison, Wisconsin, \_\_\_\_\_

By the Commission:

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Lynda L. Dorr  
Secretary to the Commission

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